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8 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
9 STATE OF CALIFORNIA
10

11 In the Matter of:

FPPC No.: 06/024

12 RACE INVESTMENTS, LLC, ROBIN
13 P. ARKLEY II, CHERIE P. ARKLEY,
SECURITY NATIONAL SERVICING
14 CORPORATION, a major donor
committee
15

STIPULATION, DECISION, and
ORDER

16 Respondent.
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18 Complainant Mark Krausse, Executive Director of the Fair Political Practices
19 Commission, and major donor committee Race Investments, LLC, Robin P. Arkley II, Cherie P.
20 Arkley, and Security National Servicing Corporation ("Respondent"), hereby agree that this
21 stipulation will be submitted for consideration by the Fair Political Practices Commission at its
22 next regularly scheduled meeting.

23 The parties agree to enter into this stipulation to resolve all factual and legal issues raised
24 by this matter and to reach a final disposition without the necessity of holding an administrative
25 hearing to determine the liability of Respondent.

26 Respondent understands, and hereby knowingly and voluntarily waives, any and all
27 procedural rights set forth in sections 83115.5, 11503 and 11523 of the Government Code, and in
28

1 sections 18361.1 through 18361.9 of title 2 of the California Code of Regulations. This includes,
2 but is not limited to, the right to personally appear at any administrative hearing held in this
3 matter, to be represented by an attorney at Respondent's own expense, to confront and cross-
4 examine all witnesses testifying at the hearing, to subpoena witnesses to testify at the hearing, to
5 have an impartial administrative law judge preside over the hearing as a hearing officer, and to
6 have the matter judicially reviewed.

7 It is further stipulated and agreed that Race Investments, LLC, Robin P. Arkley II, Cherie
8 P. Arkley, and Security National Servicing Corporation, a major donor committee, violated the
9 Political Reform Act by failing to disclose late contributions by the due date in violation of
10 section 84203, subdivisions (a) and (b) (2 counts), by failing to file paper semi-annual campaign
11 statements by the due dates, in violation of section 84200, subdivision (b) of the Government
12 Code (4 counts), and by failing to file online or electronic semi-annual campaign statements by
13 the due dates in violation of section 84605, subdivision (a) of the Government Code (3 counts),
14 by failing to disclose an affiliated entity and a contribution made thereby, in violation of section
15 84211, subdivisions (k) and (t) and regulation 18428, subdivision (b) (1 count), and by failing to
16 disclose contributions, in violation of section 84211, subdivision (k) (1 count), as described in
17 Exhibit 1. Exhibit 1 is attached hereto and incorporated by reference as though fully set forth
18 herein. Exhibit 1 is a true and accurate summary of the facts in this matter.

19 Respondent agrees to the issuance of the decision and order, which is attached hereto.
20 Respondent also agrees to the Commission imposing upon it an administrative penalty in the
21 amount of Thirty Eight Thousand Five Hundred Dollars (\$38,500). A cashier's check from
22 Respondent in said amount, made payable to the "General Fund of the State of California," is
23 submitted with this stipulation as full payment of the administrative penalty, and shall be held by
24 the State of California until the Commission issues its decision and order regarding this matter.
25 The parties agree that in the event the Commission refuses to accept this stipulation, it shall
26 become null and void, and within fifteen (15) business days after the Commission meeting at
27 which the stipulation is rejected, all payments tendered by Respondent in connection with this
28 stipulation shall be reimbursed to Respondent. Respondent further stipulates and agrees that in

the event the Commission rejects the stipulation, and a full evidentiary hearing before the Commission becomes necessary, neither any member of the Commission, nor the Executive Director, shall be disqualified because of prior consideration of this stipulation.

Dated: _____

Mark Krausse, Executive Director
Fair Political Practices Commission

Dated: _____

_____, on behalf of Respondent
Race Investments, LLC, Robin P. Arkley II, Cherie
P. Arkley, and Security National Servicing
Corporation, a major donor committee

DECISION AND ORDER

The foregoing stipulation of the parties “In the Matter of Race Investments, LLC, Robin P. Arkley II, Cherie P. Arkley, and Security National Servicing Corporation, a major donor committee,” FPPC No. 06/024, including all attached exhibits, is hereby accepted as the final decision and order of the Fair Political Practices Commission, effective upon execution below by the Chairman.

IT IS SO ORDERED.

Dated: _____

Liane M. Randolph, Chairman
Fair Political Practices Commission